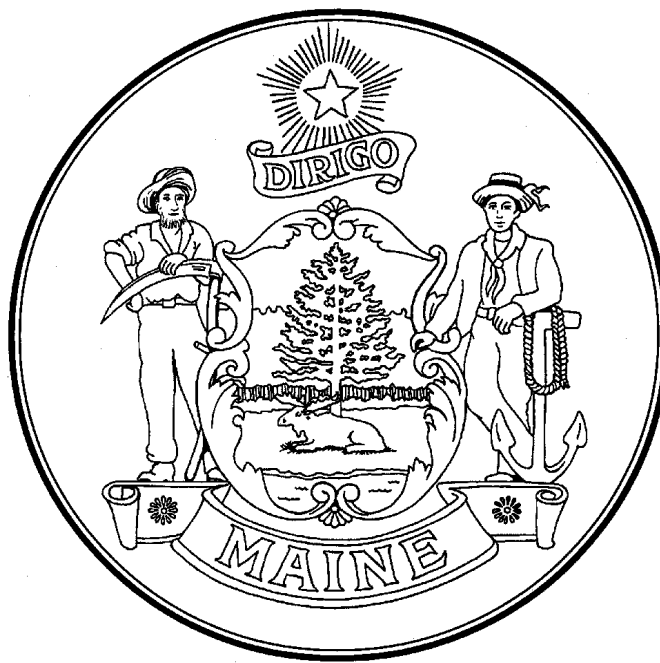


MAINE STATE LEGISLATURE

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**JOINT STANDING COMMITTEE ON
LABOR**

LD 1614 PART 2 BUDGET BILL

FY 04 - 05

THIS FILE CONTAINS THE FOLLOWING:

**Departmental Impact Forms
Testimony
Committee Recommendations**

**2004-2005 "Part 2" Budget Bill
Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs**

Department/Agency Name: Department of Labor

Program Name: Rehabilitation Services

Account Number(s): 010-12A-0799-66 Page # in Bill: _____

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>	290,000	
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for a one-time appropriation for the Consumer Directed Personal Assistance Program.

Description of Impact on Program(s) – BE SPECIFIC:

The Consumer Directed Personal Assistance Service program was transferred from the Department of Human Services to the Department of Labor at the start of fiscal year 2003. The two departments are engaged in rulemaking procedures that will both meet the needs of the consumers and help reduce costs to the General Fund. In the meantime, current funding levels will not meet consumer needs. The appropriation of these funds will prevent personal care assistance services from being cut.

The Department took this one-time appropriation into consideration when putting forward the Part I request. A deappropriation of the same amount was included in the Governor's Training Initiative (0842) program, which allowed the Department's total General Fund appropriation to remain at the 2003 level.

Does this Initiative have an impact on the 2006-2007 Biennium? No

2004-2005 "Part 2" Budget Bill
Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Department of Labor

Program Name: Rehabilitation Services

Account Number(s): 010-12A-0799-66 Page # in Bill: _____

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>	-1,117	-1,149
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the deappropriation of funds to meet the necessary reduction in General Fund spending.

Description of Impact on Program(s) – BE SPECIFIC:

Given the slight amount of this reduction, the impact to the program will be negligible.

Does this Initiative have an impact on the 2006-2007 Biennium? No

2004-2005 "Part 2" Budget Bill
Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Department of Labor

Program Name: Employment Services Activity

Account Number(s): 010-12A-0852-01 Page # in Bill: _____

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>	-1,053	-1,082
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the deappropriation of funds to meet the necessary reduction in General Fund spending.

Description of Impact on Program(s) – BE SPECIFIC:

Reductions in this program will result in a decrease in funds available for journey worker upgrade training services. This reduction would likely affect three journey workers who would have otherwise been able to receive training through the Apprenticeship program.

Does this Initiative have an impact on the 2006-2007 Biennium? No

Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Department of Labor

Program Name: Employment Services Activity

Account Number(s): 010-12A-0852-01 Page # in Bill: _____

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>	402,602	428,797
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for an increase in funds to support services to dislocated workers and job seekers through Maine's CareerCenters. This appropriation will restore CareerCenter system state funding to the level it would have received prior to budget rescissions, and will facilitate the maintenance of services in the centers. A corresponding deappropriation can be found in the Governor's Training Initiative program.

Description of Impact on Program(s) – BE SPECIFIC:

CareerCenters are where the core activities of serving job seekers and dislocated workers occur. The Bureau of Employment Services, which includes the CareerCenter system, is projecting a \$1.2M deficit in the upcoming fiscal year due to declines in both State and Federal funding. With this deficit, the ability to maintain 23 CareerCenters is in jeopardy. The restoration of the General Funds will play a part in reducing this deficit, but further actions will also need to be taken. The Department is uncertain whether or not all 23 centers will remain open, even after the restoration, but without it, closings are almost certain.

Does this Initiative have an impact on the 2006-2007 Biennium? Yes

This initiative will restore the basis on which funding for the 2006-2007 biennium is developed. Therefore, the appropriation would be on-going, as would be the corresponding decrease to the Governor's Training Initiative program.

Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Department of Labor

Program Name: Administration – Labor Standards

Account Number(s): 010-12A-0158-31 Page # in Bill: _____

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>	-154	-158
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the deappropriation of funds to meet the necessary reduction in General Fund spending.

Description of Impact on Program(s) – BE SPECIFIC:

Given the slight amount of this reduction, the impact to the program will be negligible.

Does this Initiative have an impact on the 2006-2007 Biennium? No

Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Department of Labor

Program Name: Labor Relations Board

Account Number(s): 010-12D-0160-20 Page # in Bill: _____

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>	-62	-65
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the deappropriation of funds to meet the necessary reduction in General Fund spending.

Description of Impact on Program(s) – BE SPECIFIC:

Given the slight amount of this reduction, the impact to the program will be negligible.

Does this Initiative have an impact on the 2006-2007 Biennium? No

Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Department of Labor

Program Name: Blind and Visually Impaired, Division for the

Account Number(s): 010-12A-0126-64 Page # in Bill: _____

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>	-447	-460
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the deappropriation of funds to meet the necessary reduction in General Fund spending.

Description of Impact on Program(s) – BE SPECIFIC:

Reductions in this account may cause a slight delay for individuals initially applying for services. Although the amount is minimal, when combined with other curtailments, services are likely to be impacted.

Does this Initiative have an impact on the 2006-2007 Biennium? No

Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Department of Labor

Program Name: Rehabilitation Services - Medicaid

Account Number(s): 010-12A-0965-65 Page # in Bill: _____

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>	-625	-643
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the deappropriation of funds to meet the necessary reduction in General Fund spending.

Description of Impact on Program(s) – BE SPECIFIC:

While each dollar is critical in this entitlement program, the amount of the reduction is minimal. Therefore, any impact would be negligible.

Does this Initiative have an impact on the 2006-2007 Biennium? No

Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Department of Labor

Program Name: Administration - Labor

Account Number(s): 010-12A-0030-05 Page # in Bill:

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>	-42	-43
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the deappropriation of funds to meet the necessary reduction in General Fund spending.

Description of Impact on Program(s) – BE SPECIFIC:

Given the slight amount of this reduction, the impact to the program will be negligible.

Does this Initiative have an impact on the 2006-2007 Biennium? No

Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Department of Labor

Program Name: Governor's Training Initiative

Account Number(s): 010-12A-0842-10 Page # in Bill: _____

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>	-190,491	-184,825
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the deappropriation of funds achieved through reductions in incumbent worker training services.

Description of Impact on Program(s) – BE SPECIFIC:

This curtailment will result in fewer employees and businesses that receive training through the Governor's Training Initiative program. Historical information shows that a reduction of this size will decrease the number of Maine workers who benefit from training by approximately 380.

Does this Initiative have an impact on the 2006-2007 Biennium? Yes

This initiative will reduce the basis on which funding for the 2006-2007 biennium is developed. Therefore, the deappropriation would be on-going.

Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Department of Labor

Program Name: Governor's Training Initiative

Account Number(s): 010-12A-0842-10 Page # in Bill: _____

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>	-402,602	-428,797
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for a decrease in funds for incumbent worker training to offset an increase in funds in the Employment Services Activity program to support services to dislocated workers and job seekers through Maine's CareerCenters.

Description of Impact on Program(s) – BE SPECIFIC:

This initiative will result in fewer employees and businesses that receive training through the Governor's Training Initiative program. Historical information shows that a reduction of this size will decrease the number of Maine workers who benefit from training by approximately 800.

This deappropriation would only effect new companies that wish to access the funds, companies and their employees already in the program will not be affected. The adjustment would leave approximately \$1.9 million in the Governor's Training Initiative program each year, which would allow for over 4,000 incumbent workers new to the program to be trained each year.

While incumbent workers are important to the economic vitality of Maine, the number of job seekers and dislocated workers are overwhelming the system. Therefore, the Department has opted to restore CareerCenter funds and reduce the Governor's Training Initiative program.

Does this Initiative have an impact on the 2006-2007 Biennium? Yes

This initiative will reduce the basis on which funding for the 2006-2007 biennium is developed. Therefore, the deappropriation would be on-going, as would be the corresponding increase to the Employment Services Activity program.

2004-2005 "Part 2" Budget Bill
Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Department of Labor

Program Name: Safety Education and Training Fund

Account Number(s): 014-12A-0161-45 Page # in Bill:

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e. (-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>	100,000	100,000
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>	-100,000	-100,000
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the transfer of revenue to the unappropriated surplus of the General Fund.

Description of Impact on Program(s) – BE SPECIFIC:

This initiative will eliminate the grant program for the two years of the biennium. This program provides grants to non-profits and private companies to develop new interventions, training, and research on emerging issues in occupational safety and health. This curtailment will also result in delays in the implementation of computer system upgrades.

Does this Initiative have an impact on the 2006-2007 Biennium? No

The Safety Education and Training Fund would return to current levels in the following biennium.

2004-2005 "Part 2" Budget Bill
Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Department of Labor

Program Name: Blind and Visually Impaired, Division for the

Account Number(s): 014-12A-0126-32 Page # in Bill:

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>	100,000	100,000
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>	-100,000	-100,000
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the transfer of revenue to the unappropriated surplus of the General Fund.

Description of Impact on Program(s) – BE SPECIFIC:

The Division for the Blind and Visually Impaired administers the Business Enterprise Program (BEP), which supports blind and visually impaired individuals to become self-employed by operating vending facilities in public buildings. The transfer of revenue to the General Fund will substantially reduce funds available to support new participants to the program, and to expand services to those already in the program. All services to current program participants will remain at the current level for the 2004-05 biennium.

Does this Initiative have an impact on the 2006-2007 Biennium? No

The Business Enterprise Program would return to normal levels in the following biennium.

**The following items
do not impact the General Fund
and are not scheduled for the Public Hearing.**

Department/Agency Name: Department of Labor

Program Name: Rehabilitation Services

Account Number(s): 013-12A-0799-54 Page # in Bill: _____

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>	(1.000)	(1.000)
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>	47,170	49,838
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the transfer of one Administrative Secretary position to the Rehabilitation Services program from the Employment Services Activity program.

Description of Impact on Program(s) – BE SPECIFIC:

The staff within the Rehabilitation Services program has taken on additional duties with the transfer of the Consumer Directed Personal Assistance Services program during fiscal year 2003. Some of these duties relate more closely to the Administrative Secretary position job description than to the Clerk Typist III position that would have been performing these duties. Therefore, the vacant Clerk Typist III position is being transferred to the Employment Services Activities program in exchange for a vacant Administrative Secretary position.

Does this Initiative have an impact on the 2006-2007 Biennium? Yes

This proposed transfer would be permanent; therefore the allocations to the federal accounts within these programs would be affected in future years as well.

Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Department of Labor

Program Name: Rehabilitation Services

Account Number(s): 010-12A-0799-66; 013-12A-0799-54; 014-12A-0799-34; 014-12A-0799-35 Page # in Bill: _____

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>	(-1.000)	(-1.000)
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>	-43,397	-45,954
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the transfer of one Clerk Typist III position from the Rehabilitation Services program to the Employment Services Activity program.

Description of Impact on Program(s) – BE SPECIFIC:

The staff within the Rehabilitation Services program has taken on additional duties with the transfer of the Consumer Directed Personal Assistance Services program during fiscal year 2003. Some of these duties relate more closely to the Administrative Secretary position job description than to the Clerk Typist III position that would have been performing these duties. Therefore, the vacant Clerk Typist III position is being transferred to the Employment Services Activities program in exchange for a vacant Administrative Secretary position.

Does this Initiative have an impact on the 2006-2007 Biennium? Yes

This proposed transfer would be permanent; therefore the allocations to the federal accounts within these programs would be affected in future years as well.

Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Department of Labor

Program Name: Rehabilitation Services

Account Number(s): 010-12A-0799-66; 013-12A-0799-54; 014-12A-0799-34; 014-12A-0799-35 Page # in Bill:

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>	(-1.000)	(-1.000)
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>	-89,055	-89,363
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the transfer of one Senior Information Support Specialist position from the Rehabilitation Services program to the Administration - Labor program.

Description of Impact on Program(s) – BE SPECIFIC:

The transfer of this position is a step towards combining all information technology positions within the Department of Labor under the Office of Information Processing. Most of the positions were united under the Office of Information Processing based on recommendations from the Productivity Realization Task Force. However, this position was not transferred at that time due to the fact that the Rehabilitation Services program was in the process of being transferred from the Department of Education. This transfer will provide for more effective use of the Department's information technology staff.

Does this Initiative have an impact on the 2006-2007 Biennium? Yes

This proposed transfer would be permanent; therefore the allocations to the federal accounts within these programs would be affected in future years as well.

2004-2005 "Part 2" Budget Bill
Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Department of Labor

Program Name: Rehabilitation Services

Account Number(s): 010-12A-0799-66; 013-12A-0799-54; 014-12A-0799-34; 014-12A-0799-35 Page # in Bill:

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>	109,148	115,736
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the establishment of two limited period Rehabilitation Counselor II positions, whose work would increase reimbursements from the federal Social Security program.

Description of Impact on Program(s) – BE SPECIFIC:

The establishment of two federally funded Rehabilitation Counselor II positions would allow the Department of Labor Bureau of Rehabilitation Services to meet the additional need that will result from the Ticket to Work initiative of the Social Security Administration. Because the cost of successful cases under the Ticket to Work initiative will be reimbursed by the Social Security Administration, the work done by these two positions would increase federal revenue that the Bureau receives.

Does this Initiative have an impact on the 2006-2007 Biennium? No

The positions are limited period, and would end in June 2005.

2004-2005 "Part 2" Budget Bill
Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Department of Labor

Program Name: Employment Services Activity

Account Number(s): 010-12A-0852-01, 013-12A-0852-01, 014-12A-0852-01, 014-12A-0852-02 Page # in Bill: _____

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>	(-1.000)	(-1.000)
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>	-47,170	-49,838
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the transfer of one Administrative Secretary position to the Rehabilitation Services program from the Employment Services Activity program.

Description of Impact on Program(s) – BE SPECIFIC:

The staff within the Rehabilitation Services program has taken on additional duties with the transfer of the Consumer Directed Personal Assistance Services program during fiscal year 2003. Some of these duties relate more closely to the Administrative Secretary position job description than to the Clerk Typist III position that would have been performing these duties. Therefore, a vacant Clerk Typist III position is being transferred to the Employment Services Activities program in exchange for a vacant Administrative Secretary position.

Does this Initiative have an impact on the 2006-2007 Biennium? Yes

This proposed transfer would be permanent; therefore the allocations to the federal accounts within these programs would be affected in future years as well.

**2004-2005 "Part 2" Budget Bill
Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs**

Department/Agency Name: Department of Labor

Program Name: Employment Services Activity

Account Number(s): 010-12A-0852-01, 013-12A-0852-01, 014-12A-0852-01, 014-12A-0852-02 Page # in Bill:

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>	(1.000)	(1.000)
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>	43,397	45,954
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the transfer of one Clerk Typist III position from the Rehabilitation Services program to the Employment Services Activity program.

Description of Impact on Program(s) – BE SPECIFIC:

The staff within the Rehabilitation Services program has taken on additional duties with the transfer of the Consumer Directed Personal Assistance Services program during fiscal year 2003. Some of these duties relate more closely to the Administrative Secretary position job description than to the Clerk Typist III position that would have been performing these duties. Therefore, a vacant Clerk Typist III position is being transferred to the Employment Services Activities program in exchange for a vacant Administrative Secretary position.

Does this Initiative have an impact on the 2006-2007 Biennium? **Yes**

This proposed transfer would be permanent; therefore the allocations to the federal accounts within these programs would be affected in future years as well.

**2004-2005 "Part 2" Budget Bill
Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs**

Department/Agency Name: Department of Labor

Program Name: Employment Services Activity

Account Number(s): 010-12A-0852-01, 013-12A-0852-01, 014-12A-0852-01, 014-12A-0852-02 Page # in Bill:

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e. (-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>	-63,319	-59,919
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the one-time deallocation of funds from this program to offset an allocation in the Welfare to Work program.

Description of Impact on Program(s) – BE SPECIFIC:

Federal funds for the Welfare to Work program were extended through September 2004. Personal Services expenditures under the Welfare to Work program would result from staff already on board within the Department of Labor Bureau of Employment Services. Therefore, the expenses would not be realized in the Employment Services Activity program, but in the Welfare to Work program.

Does this Initiative have an impact on the 2006-2007 Biennium? No

**2004-2005 "Part 2" Budget Bill
Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs**

Department/Agency Name: Department of Labor

Program Name: Welfare to Work

Account Number(s): 013-12A-0880-01 Page # in Bill: _____

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>	827,949	334,092
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the allocation of funds to the federal Welfare to Work account.

Description of Impact on Program(s) – BE SPECIFIC:

Federal funds for the Welfare to Work program were extended through September 2004. The allocation for Personal Services is offset by a deallocation in the Employment Services Activity program. As Personal Services expenditures under the Welfare to Work program would result from staff already on board within the Department of Labor Bureau of Employment Services, the expenses would not be realized in the Employment Services Activity program, but in the this program. The allocation for All Other would be used for contracts to CareerCenter partners, training services, and administrative support.

Does this Initiative have an impact on the 2006-2007 Biennium? No

2004-2005 "Part 2" Budget Bill
Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Department of Labor

Program Name: Employment Security Services

Account Number(s): 013-12A-0245-60 Page # in Bill: _____

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>	125,000	125,000
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the allocation of funds for capital equipment.

Description of Impact on Program(s) – BE SPECIFIC:

The allocation is needed in order to purchase capital items for the Bureau of Unemployment Compensation and the Division of Labor Market Information.

Does this Initiative have an impact on the 2006-2007 Biennium? No

2004-2005 "Part 2" Budget Bill
Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Department of Labor

Program Name: Blind and Visually Impaired, Division for the

Account Number(s): 014-12A-0126-32 Page # in Bill:

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>	175,000	175,000
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the allocation of funds for capital equipment.

Description of Impact on Program(s) – BE SPECIFIC:

The Division for the Blind and Visually Impaired administers the Business Enterprise Program (BEP), which supports blind and visually impaired individuals to become self-employed by operating vending stands or machines. The capital equipment allocation is needed in order to purchase equipment and machinery for this program.

Does this Initiative have an impact on the 2006-2007 Biennium? No

**2004-2005 "Part 2" Budget Bill
Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs**

Department/Agency Name: Department of Labor

Program Name: Administration - Labor

Account Number(s): 013-12A-0030-05 Page # in Bill:

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>	(1.000)	(1.000)
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>	89,055	89,363
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the transfer of one Senior Information Support Specialist position from the Rehabilitation Services program to the Administration - Labor program.

Description of Impact on Program(s) – BE SPECIFIC:

The transfer of this position is a step towards combining all information technology positions within the Department of Labor under the Office of Information Processing. Most of the positions were united under the Office of Information Processing based on recommendations from the Productivity Realization Task Force. However, this position was not transferred at that time due to the fact that the Rehabilitation Services program was in the process of being transferred from the Department of Education. This transfer will provide for more effective use of the Department's information technology staff.

Does this Initiative have an impact on the 2006-2007 Biennium? Yes

This proposed transfer would be permanent; therefore the allocations to the federal accounts within these programs would be affected in future years as well.

**2004-2005 "Part 2" Budget Bill
Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs**

Department/Agency Name: Department of Labor

Program Name: Administration - Labor

Account Number(s): 013-12A-0030-05, 014-12A-0030-05 **Page # in Bill:** _____

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>	14,147	16,002
<u>Other Special Revenue funds</u>	745	844
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the allocation of funds for reclassifications approved by the Bureau of Human Resources. An emergency request was also included for fiscal year 2003.

Description of Impact on Program(s) – BE SPECIFIC:

Does this Initiative have an impact on the 2006-2007 Biennium? Yes

The allocations for the reclasses would carry into the next biennium.

**2004-2005 "Part 2" Budget Bill
Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs**

Department/Agency Name: Department of Labor

Program Name: Employment Security Services

Account Number(s): 013-12A-0245-60, 014-12A-0245-60 Page # in Bill: _____

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>	8,584	11,855
<u>Other Special Revenue funds</u>	451	624
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the allocation of funds for reclassifications approved by the Bureau of Human Resources. An emergency request was also included for fiscal year 2003.

Description of Impact on Program(s) – BE SPECIFIC:

Does this Initiative have an impact on the 2006-2007 Biennium? Yes

The allocations for the reclasses would carry into the next biennium.

2004-2005 "Part 2" Budget Bill
Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Workers' Compensation Board

Program Name: WCB – Administration (mostly the Worker Advocate Program)

Account Number(s): 014 90C 0183

Page # in Bill: 69

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds (neither increases or decreases)</u>	<u>23.00</u>	<u>24.00</u>
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>	<u>1,605,754</u>	<u>1,679,383</u>
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>	<u>1,605,754</u>	<u>1,679,383</u>
<u>Other (please specify)</u>		

Description of Initiative:

Provides for increased revenue allocation, restoration of positions and All Other costs for the Central Office, dispute resolution and the Worker Advocate program to continue program operations. It also restores FY05 funding for the law clerk at the Administrative Office of the Courts. This initiative includes the elimination of two worker advocate positions.

Description of Impact on Program(s) – BE SPECIFIC:

As stated, this is a request for funding in order to continue existing programs. This is not a request for new and expanded services. The majority of the positions are in the Worker Advocate Program, there's a half-time clerk typist II, a Legal Secretary in 05 and a law court clerk in 05. These positions are currently filled with full-time employees. **The Advocate Program must be funded because it is saving Maine's employers over \$20,000,000 annually.** It also provides crucial representation services to injured workers throughout the State. Failure to fund this initiative will result in elimination of the Advocate staff. This would deal a devastating blow to Maine's employees and, ultimately, employers. The Clerk Typist II should not be eliminated because resources in the Board's file room are already too thin, the Legal Secretary should not be eliminated due to workloads.

Does this Initiative have an impact on the 2006-2007 Biennium? (Yes) X (No) _____
(please explain below)

This is to fund existing current (Part I) services (programs) which will be ongoing to FY 06 and 07.

**2004-2005 "Part 2" Budget Bill
Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs**

Department/Agency Name: Workers' Compensation Board

Program Name: WCB – Administration - Technology

Account Number(s): 014 90C-0183

Page # in Bill: 69

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>	<u>70,000</u>	<u>70,000</u>
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>	<u>70,000</u>	<u>70,000</u>
<u>Other (please specify)</u>		

Description of Initiative:

This Part II request is for programming services which the WCB purchases from DOL.

Description of Impact on Program(s) – BE SPECIFIC:

A very serious need exists for an addition or expansion of the programming services the Board is purchasing from DOL. The present funding only provides for one programmer's services. Consequently, it is taking years to upgrade the Board's systems. This is having a detrimental impact on every claim and activity processed through the agency. This would provide critically needed assistance to many of the Board's units that process claims, thereby improving the services being provided to Maine's employers and employees.

Does this Initiative have an impact on the 2006-2007 Biennium?

(Yes)X (No)
(please explain below)

This is intended to be ongoing programming support.

**2004-2005 "Part 2" Budget Bill
Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs**

Department/Agency Name: Workers' Compensation Board

Program Name: WCB- Administration

Account Number(s): 014 90C 0183

Page # in Bill: 70

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>	<u>-1.00</u>	<u>-1.00</u>
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>	<u>(140,512)</u>	<u>(140,244)</u>
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Description of Initiative:

Provides for the elimination of one Hearing Officer position for the purpose of staying within recommended available resources by the Board.

Description of Impact on Program(s) – BE SPECIFIC:

The Part II expenditure budget request submitted by the Board exceeds recommended resources. The Bureau of the Budget is recommending this position elimination to keep WCB's Part II request within resources recommended by the Board. However, caseloads have been increasing over the past year and the elimination of a hearing officer position will have a negative impact on the efficiency and effectiveness of the formal hearing process.

Does this Initiative have an impact on the 2006-2007 Biennium?

(Yes) X (No)
(please explain below)

Ongoing funding requests for this position will not be made.

2004-2005 "Part 2" Budget Bill
Departmental Impact Form
Joint Standing Committee on Appropriations and Financial Affairs

Department/Agency Name: Workers' Compensation Board

Program Name: WCB- Administration

Account Number(s): 014 90C 0183

Page # in Bill: C-35

FY 2003-04

FY 2004-05

Position or FTE Increase [i.e. (0.000)] / Decrease [i.e.(-0.000)]:

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>		
<u>Other (please specify)</u>		

Appropriation or Allocation Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>	<u>170,000</u>	
<u>Other (please specify)</u>		

Revenue or Balance Transfer Increase / (Decrease):

<u>General Fund</u>		
<u>Federal Funds</u>		
<u>Other Special Revenue funds</u>	<u>170,000</u>	
<u>Other (please specify)</u>		

Description of Initiative:

Provides for an allocation of funds to contract for temporary worker advocate and clerical support services and associated overtime for the Worker Advocate program staff in Augusta and Portland. **Funding is available for these expenditures in fiscal year 04 from the unexpended cash in fiscal year 03.**

Description of Impact on Program(s) – BE SPECIFIC:

This allocation is necessary in order to provide assistance to Augusta and Portland advocate unit mandated by huge workloads. Without this allocation, regular staff will not be able to keep up with the demands of the two offices (client services being provided) and essential overtime for the staff will cease.

Does this Initiative have an impact on the 2006-2007 Biennium?

(Yes) _____ (No) X _____
(please explain below)

TESTIMONY SIGN IN SHEET

COMMITTEE ON Appropriations and Financial Affairs

L.D. # OR CONFIRMATION: _____ LD 1614 Part 2 Budget Bill

DATE: _____ 8-May-03

PLEASE PRINT!!

Labor

	NAME	TOWN/AFFILIATION	PROPONENT	OPPONENT	NEITHER FOR NOR AGAINST
1.	Laura Fortman	Commissioner of Labor			
2.	Kim Smith	Ass't Commissioner & Rehabilitation	x		
3.	Kate Brogan	Rehabilitation Services	x		
4.	Steve Libby	Alpha One/Home Based Care Programs	x		
5.	Brad Blake	Alpha One/Home Based Care Programs	x		
6.	Ryan Binette	Alpha One/Home Based Care Programs	x		
7.	Dennis F. Stubbs	Alpha One/Home Based Care Programs	x		
8.	Jeffrey McIntyre	Alpha One/Home Based Care Programs	x		
9.	Sylvia Gallant	Randolf Sheperd/ Bangor			
10.	Eugene Mahalund	Business Enterprise Program			
11.	Tim McLellan	Governor's Training Initiative			
12.					
13.					
14.					
15.					
16.					

**Testimony of
Laura Fortman
Commissioner of Labor**

Regarding

**An Act to Make Supplemental Appropriations and Allocations
for the Expenditures of State Government and to Change Certain Provisions of the Law
Necessary to the Proper Operations of State Government
for the Fiscal Years Ending June 30, 2004 and June 30, 2005**

Before the

**Joint Standing Committee on Appropriations and Financial Affairs
and the
Joint Standing Committee on Labor**

May 8, 2003

Senator Cathcart, Representative Brannigan, Senator Edmonds, Representative Smith, and members of the Joint Standing Committees on Appropriations and Financial Affairs and Labor, my name is Laura Fortman and I am the Commissioner of the Maine Department of Labor. Thank you for the opportunity to present the Department's Part II budget requests to the Committees. My presentation this afternoon will consist of those initiatives that affect the General Fund. Along with my staff, I will be happy to address questions you have on these items, as well as any questions you may have on those items in the federal and special revenue accounts that are not scheduled for this hearing.

Rehabilitation Services

The first request from the Department concerns Consumer Directed Personal Assistance Services, which are funded partially through the Rehabilitation Services program. This Medicaid Waiver program serves adults whose disabilities make them medically eligible for care in nursing facilities. Under this program, participants are able to hire and direct personal care assistants who enable them to live independently in their homes. The Waiver is based upon the principle of cost-neutrality, that the Medicaid cost of serving these consumers at home cannot exceed the cost of serving the same consumers in a nursing facility. In an effort to maintain cost-neutrality, the Department of Human Services established a cap on Personal Assistance Services in 2001. The effect for approximately 50 consumers was to reduce their services below their medically assessed level of need. When this program was transferred, along with two others, to the Department of Labor in July 2002, we began researching the possibility of adjusting the cost-neutrality component of the Waiver program to allow Medicaid to cover more hours of service. At the same time, we agreed to use FY '02 carry-over funds from another, state-funded CD-PAS program to restore the services these consumers had lost. For many of these consumers, these supplemental hours mean the difference between remaining independent in their homes and entering a nursing facility.

We believe that we will be able to adjust the Waiver in the next year to better leverage resources and to meet the needs of these consumers under the Medicaid program. In the meantime, this request will allow us to continue providing the additional services needed by these consumers to stay in their homes.

The Department took this one-time appropriation into consideration when putting forward the Part I request. A deappropriation of the same amount was included in the Governor's Training Initiative (0842) program, which allowed the Department's total General Fund appropriation to remain at the 2003 level.

The second initiative within the Rehabilitation Services program concerns a deappropriation to meet the need for a reduction in General Fund spending. These funds serve as match for federal funds on a four to one federal to state ratio. Although the reduction in match also reduces the amount of federal funds that can be drawn, the amount is minimal and the overall program impact would be minimal.

Employment Services Activities

The next initiative is also brought forward in order to meet the need for reductions in General Fund spending. This reduction involves the Employment Services Activities program, of which a portion funds the State Apprenticeship program. The Apprenticeship program provides funds for instructors to train apprentices and to upgrade journey workers' skills. With a reduction of just over \$1,000 each fiscal year, approximately three journey workers, who would have otherwise been eligible, would not receive training.

The second initiative in this program seeks to appropriate additional funds for CareerCenters. A deappropriation of a like amount from the Governor's Training Initiative program will also be discussed during this hearing.

CareerCenters are where the core activities of serving job seekers and dislocated workers occur. The CareerCenter system, comprised of the Bureau of Employment Services, the four regional workforce investment areas, and several non-profit providers, is projecting a multi-million dollar deficit in the upcoming fiscal year. The deficit results from declining federal and state funding, as well as increased costs. With this deficit, the ability to maintain the 23 CareerCenters is in jeopardy. This initiative seeks to restore state funding for the CareerCenters to the level that would have been received prior to curtailments and level funding. The restoration of the General Funds will play a part in reducing this deficit, but further actions will also need to be taken. The Department is uncertain whether or not all 23 centers will remain open, even after this restoration, but without it, closings are almost certain.

Administration – Labor Standards

The next initiative is affects the Administration program for the Bureau of Labor Standards, and is brought forward in order to meet the need for reductions in General Fund spending. This deappropriation is very small, and in of itself would have minimal impact on the program. However, when combined with other reductions already taken from the program will impact the Bureau's ability to upgrade computer systems and the level of administrative support to this and other programs within the Bureau.

Labor Relations Board

The next initiative is also brought forward in order to meet the need for reductions in General Fund spending. This deappropriation to the Maine Labor Relations Board is very small, and in of itself would have minimal impact on the program. However, when combined with other reductions already taken from the program will impact the Board's ability to upgrade computers and will restrict travel.

Blind and Visually Impaired

The next initiative is also brought forward in order to meet the need for reductions in General Fund spending. This General Funds in this program serve as match to federal funds on a four to one federal to state ratio. This deappropriation, along with other reductions in this program, may cause a delay for individuals initially applying for services.

Rehabilitation Services - Medicaid

The next initiative is also brought forward in order to meet the need for reductions in General Fund spending. This program provides a portion of the funding for the Consumer Directed Personal Assistance Services, and serves as a match to federal Medicaid funds. While each dollar of this program is critical, the amount of the reduction to the program is minimal. Therefore, any impact would be negligible.

Administration Labor

The next initiative is also brought forward in order to meet the need for reductions in General Fund spending. Expenditures in this program are allocated to the Department's various funding sources, of which the General Fund comprises approximately eleven percent. Therefore, actual expenditure reductions to achieve this level of General Fund savings are ten times the amount reflected. However, the amount of the reduction is minimal, and any program impact is negligible.

Governor's Training Initiative

The next two initiatives impact the Governor's Training Initiative program. The first of these initiatives deappropriates funds that will be saved through a reduction in incumbent worker training services. These reductions will be implemented as a result of the need to curtail General Fund spending. The majority of funds in this program goes toward improving the skills of workers and helping businesses to remain competitive, and is not used to serve dislocated workers. The reduction would reduce the number of new companies and workers that are able to receive funding from this program, but would not affect those that are already in the program. A reduction of the amount proposed would reduce the number of workers trained by approximately 380 each fiscal year.

The second initiative in this program is an offset to the restoration of CareerCenter funding that we discussed earlier this afternoon. The Department is proposing to increase CareerCenter funding by just over \$400,000 each year, and will fund that increase by accepting a deappropriation in the Governor's Training Initiative program. A reduction of this size would

reduce the number of workers trained by approximately 800. As with the previous initiative, the reduction would be in the number of new companies and workers accepted in to the program; those already receiving funds would not be impacted.

After these two reductions, the Governor's Training Initiative program would contain just over \$1.9 million dollars, which would provide training for over 4,000 incumbent workers new to the program each fiscal year.

Safety Education and Training Fund

The two remaining initiatives scheduled for today's hearing concern transfers of revenue from Special Revenue accounts to the General Fund. The first of these transfers will be made from the Safety Education and Training program, which provides funds for training employers and employees on safety issues. The reduction in revenue will eliminate grants issued through this program. These grants are issued to develop new methods of interventions, training, and research on emerging issues in occupational safety and health. In addition, the reduction in revenue will result in delays in the upgrading of the computer system used to track and monitor inspections and consultations.

Blind and Visually Impaired

The second of the two special revenue account transfers will be made from the Blind and Visually Impaired program, which provides the funding for the Business Enterprise Program. The Business Enterprise Program supports blind and visually impaired individuals to become self-employed by operating vending facilities in public buildings. The transfer of revenue to the General Fund will substantially reduce funds available to support new participants to the program, and to expand services to those already in the program. However, the individuals served by this program have remained fairly constant over the last three years, and this transfer will not impact services to them. Services to current program participants will remain at the current level for the 2004-2005 biennium. In 2006, we will attempt to expand the program once again.

Conclusion

This concludes our presentation regarding those programs scheduled for this public hearing. I would like to thank the Committees for this opportunity to present our requests. I would be happy to answer any questions the Committees have regarding these requests or programs within the Department.

May 8, 2003

Dennis F. Stubbs
194 Griffin Road
Apt. 103
Bangor, Maine 04401

Ladies and Gentlemen of the Appropriations Committee,

In regards to the request of Alpha One for additional funding for my particular section of the Home Based Care programs, I would like to explain the necessity of keeping this level of funding intact for another year.

My understanding is that without this funding my program would supply each qualifying individual 80 hours of personal care assistance per week. I am assessed at a need level of 82 hours, so as you can see I am very close to the break-even point. The two hours that I may have to be without care amounts to a few missed shampoos, shavings, and oral hygiene, or errands missed such as grocery shopping, doctor appointments and prescription medication pick ups. Perhaps I will have to forego some meal preparation time or daily household chores.

However, my main concern is for those who have a desperate need for more hours for personal care than they are currently receiving. If this funding is not approved, they will be in serious jeopardy of not being able to maintain their health and continue to live independently in their own homes. Their only option may be to move into nursing home care facilities. This would cost the state much more money in the long run and would not provide the same quality of life.

You will meet a young man, Jeff McIntyre, who requires this level of funding for his continued independence and health care quality. When Jeff was able to leave the nursing home and move into his own apartment, it was indeed a red-letter day for our state's Independent Living movement. The media highlighted Jeff's achievement and promoted our HBC programs greatly.

I feel it would be an awful shame and a step backwards for Maine's Home Based Care and Independent Living programs if the current level of funding is not maintained for another year. I strongly urge you to vote yes to this Appropriation.

Sincerely,

Dennis F Stubbs

Dennis F. Stubbs

201 Husson Ave., Apt. O-4
Bangor, ME 04401

May 6, 2003

Appropriation's Committee
State House Station 5
Augusta, ME 04333

Dear Appropriation's Committee,

My name is Jeffrey McIntyre, and I have been on the Medicaid Waiver Program for sixteen years now. In those sixteen years, I have become ventilator dependant, and now require 24-hour care. My assessment basically says that I should receive 91 hours a week from Alpha One. Since I am ventilator dependent, it means that if I am left alone it could very well mean life and death for me. For instance, my ventilator tubes could come off from the trach or if I am not suctioned immediately then it could result in a mucus plug. If the mucus plug is not taken care of properly, then my airway is blocked off, and I could die of lack of oxygen within about five minutes. I have included doctors' notes to prove this fact.

For the past three years, I have had to come to hearing after hearing to fight to keep my hours. Even though I brought doctor notes to last year's hearing, I still lost my 91 hours a week for a time. I had brought doctors' notes to that hearing as well, but it didn't matter. They still decreased my hours to 71.5 hours a week. If my hours of care go down below 91 hours then it is a very good possibility that I will be left alone. As stated above, it could cost my life. Now this year, I have to fight again, but this time the state wants to decrease my hours from 91 to 63 hours a week. Even though my 91 hours a week is more than the 90 percent cost of a nursing home, I need the hours so that I am able to receive the care I need and deserve, and to continue to live independently.

Living independently has allowed me to seek peer support for other people with disabilities, and visit my family and friends. I have the freedom to come and go as I please, when I want to. I can go out to the movies, and go to music concerts. Living independently allows me to have the care when I need it, especially when an emergency arises. My attendant is with me at all times, and if my ventilator tubes come off then

they are there to take care of things immediately . If I have problems with my bladder or bowels, then they are there to correct it. In the nursing home there were many times, I had to wait an hour or more to get these personal needs taken care off. When I was in the nursing home, there was an incident in the bathroom where my ventilator tubes came off and I was locked in the bathroom. By chance there was a nurse walking by and he heard my ventilator alarm going off, and he put the tube back on. I had a hard time breathing, because I was without oxygen for a while. I do not take life for granted, because my independent life means everything to me.

Sincerely,

A handwritten signature in cursive script that reads "Jeffrey McIntyre". The signature is written in dark ink and is positioned above the printed name.

Jeffrey McIntyre

Sunbury Family Medicine

A Service of
Penobscot Community Health Center

1012 Union Street, Suite A
Bangor, ME 04401
(207) 945-5247
Fax (207) 990-1248

Barbara A. Vereault, D.O.
Meghan R.B. Mamula, D.O.
John L. Patten, D.O.
Robert F. Anderson, D.P.M., M.D.

Jean E. Hanson, P.A.-C
Ann B. Barrows, FNP
John F. Cassidy, IV, P.A.-C
Karen D. Godin, P.A.-C

March 7, 2002

Kevin Concannon
Commissioner of Department of Human Services
116 State House Station
Augusta, ME 04333-0116

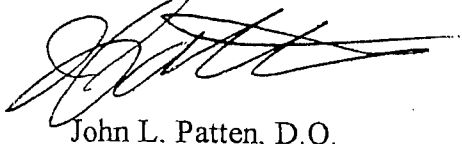
RE: Jeffrey McIntyre
DOB: 2/22/68

Dear Mr. Concannon: 287-3707

This letter is in reference to Mr. Jeffrey McIntyre, a 33-year-old patient, who suffers from Duchenne's muscular dystrophy. Mr. McIntyre is confined to wheelchair and hospital bed and is completely ventilator dependent for life support. This patient is currently able to live at home, as long as he is able to have 24 hour a day coverage. Due to his significant health risks, it is inappropriate that he be left alone, and would be at risk for significant life threatening problems in the event that no one was there for assistance. It is my understanding that consideration is being given to cutting back his support staff hours to only 20 hours per week. This would leave him approximately three and a half hours per day alone. Please give serious consideration to not cutting those hours, as it would increase the risk of Mr. McIntyre having to then be institutionalized at a significantly greater cost, both short term and long term.

Thank you very much for your consideration in this matter. If you have any further questions, please feel free to contact me.

Sincerely



John L. Patten, D.O.

JLP/lag

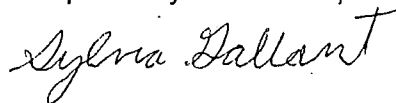
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mailed
2 copy to pt.
90

MEMBERS OF THE APPROPRIATIONS COMMITTEE

I have been a member of the Business Enterprise Program (BEP) in Maine for 19 years and am very concerned about the future of this program. It is going before you to transfer a hundred thousand dollars per year from our funds for the next two years. A hundred and sixty eight thousand has already been transferred this year. This program is under the Dept. of Labor. Our funds are generated from us as BEP members, from unassigned vending machines, and from commissions from vending machines on the interstate. No money is appropriated by the state. Because our program is small at this time, there seems to be people who think that we don't need this money and enough money is being left in our account to cover the needs of the people already in the program. Also, folks think there is enough money to cover any emergency that might come up. There is already an emergency at the rest area in Kittery where vending machines are housed. The floor is badly rotted and needs attention before someone falls through, or a vending machine goes through the floor and heavens forbid falls on someone. Who will pay a lawsuit if this happens? It certainly doesn't look good to people coming into our state to see a building in this condition. If the money is taken out of our account this project will be put on hold. The reason our program is so small is because we are under staffed and have been for a very long time. We are paying a staff person out of our set aside funds (what BEP members pay themselves), as it is. It is the belief that people are not as attracted to our program because there are other opportunities for the blind to find work. I do not believe this. I believe there are people who don't even know about this program. I was one of them when I came into it. We would still be under staffed even if an extra staff person was hired and paid out of our funds, but this is not allowed. Please try to help us to keep this program going. I know the state is in a very bad financial position. I also hope it doesn't need to take away from handicapped people to make it run properly, especially people who are visually impaired and blind, willing to work, and no longer need to live on Social Security, Medicare, etc.

There's also Bill LD 1286 that is going to be voted upon. If it passes we will lose our unassigned vending machine commissions.

Respectfully Submitted,



Sylvia Gallant
350 Maple St.
Bangor, Me. 04401
945-5552
cylken@aol.com

RE BUSINESS ENTERPRISE PROGRAM TO APPROPRIATIONS COMMITTEE

R.R.1 Box 5435

Windsor Maine 04363

05-08-03

My name is P. Stephen Hoad and I live in Windsor Maine. I am a blind man, 53 years old.

I ran a "BEP" concession in the State House from 1977 until 1982. The business sustained my family and me successfully for those five years.

I have spent time in Maine and realize what the employment opportunities for the blind really are and I firmly understand the necessary belt tightening that is currently going on in our state's fiscal crisis.

I believe, however, that the funds slated for transfer from the Business Enterprise Program "BEP" of the Division for the Blind and Visually Impaired should be left in the "BEP". Here are the reasons and facts that support my belief.

Maine law has allocated these funds to the blind and vending contracts have been handled accordingly. These funds, as a necessary budget for equipment, facility renewal and training of blind vendors have been earned through the work of the vendors, in a decisionmaking capacity, employing the necessary person to raise them for the "BEP". This is money raised by the "BEP" for the "BEP".

This program should be a self sustaining program. With the necessary funds at hand, blind people can be brought in, trained and in positions earning money within a few months time in their business.

Lately the program has not always had vendors to train. I suggest that there still 75 percent of the blind that are not employed and I believe this is a marketing problem. I believe that, if aggressively sought, many of the "BEP" locations would be operated by the blind vendors, as was the intent of the Maine law.

If the money is transferred out to another account, I believe also that it is a violation of trust if not a violation of state law. As the law is currently written, these monies are dedicated to this "BEP" account.

But finally, knowing the living I made and the people I met in the "BEP" I really think that taking almost 50 percent of this program budget would really deprive many blind persons an opportunity to earn, pay taxes and enjoy the business life.

This is really a business friendly state, isn't it? The blind of Maine hope it is business friendly to us, too!
Thank you for considering my position.

Sincerely,
P. Stephen Hoad

BETHEDA G. EDMONDS, DISTRICT 23, CHAIR
 STEVEN S. STANLEY, DISTRICT 3
 KENNETH BLAIS, DISTRICT 20

DEBORAH C. FRIEDMAN, LEGISLATIVE ANALYST
 GAIL KERNS, COMMITTEE CLERK



STATE OF MAINE

ONE HUNDRED AND TWENTY-FIRST LEGISLATURE

COMMITTEE ON LABOR

May 9, 2003

To: Senator Mary Cathcart, Senate Chair
 Representative Joseph Brannigan, House Chair
 Members, Joint Standing Committee on
 Appropriations and Financial Affairs

From: Senator Beth Edmonds, Senate Chair
 Representative William Smith, House Chair
 Members, Joint Standing Committee on Labor

Re: Part II FY04 and FY05 Budget
 (Department of Labor and the Workers' Compensation Board)

The Joint Standing Committee on Labor met with representatives of the Department of Labor and the Workers' Compensation Board to review provisions of the proposed Part 2 budget.

Members of the committee in attendance unanimously agreed to accept the proposed changes in the Department of Labor budget, with reservations described below, but the committee divided 3 ways on the proposed Workers' Compensation Board changes. Those 3 positions will also be described below.

Department of Labor Changes

Given the seriousness of the budget problems facing the State, and the lack of time to fully review the budget, the committee is willing to accept the cuts and reallocations proposed in the bill relating to the Department of Labor and its programs. However, we want to express our concern about the provisions that transfer over \$800,000 of dedicated funds to the General Fund.

The funds being transferred were collected for, and dedicated to, specific important purposes, including safety education and training, programs for the blind and visually impaired and loans for safety equipment. We are concerned that the assessments that created the safety program and loan fund were taken from insurers and employers to help improve safety in the State, that those programs will be depleted and their purposes not met, to the detriment of both

the employers and the workers of the State. The funds being taken from the Division for the Blind & Visually Impaired may limit the ability of that program to expand self-employment opportunities for the blind and visually impaired.

Comment on the Workers' Compensation Provisions

Although the Workers' Compensation Board is funded entirely from Other Special Revenue, we felt it was important for us to review the proposed changes to ensure that the funds collected from assessments on insurers and employer are used effectively.

The most significant provision in the bill is the allocation of an additional \$1,605,754 in FY04 and \$1,679,383 in FY05, coupled with a statutory amendment to increase the cap on the assessment that funds administration of the Board. Part D of the bill increases the cap from \$6.86 million to \$8,350,000 in FY04 and \$8,525,000 in FY05 and thereafter.

The Labor Committee discussed the assessment cap earlier this session, when we heard and considered LD 35. We voted out LD 35 with a divided report – both reports increase the cap and allocation to some extent, but by different amounts. Our division on LD 35 reflects our division on the budget bill provision, to some extent.

Support the Proposal

Six members (Senators Edmonds and Stanley; Representatives Smith, Hatch, Watson and Jackson) support the proposed increase in the allocation, the increase in the assessment cap, and the proposed cuts necessary to bring the budget into balance even with the increased allocation.

Support the Increase, but not the Proposed Position Cut

Two members (Representatives Hutton and Patrick) support the increased allocation and assessment cap, but oppose the plan to cut a Hearing Officer position to balance the budget. Petitions to the Workers' Compensation Board are increasing, and now is not the time to cut Hearing Officer positions. The Board has made an effort in recent years to ensure that cases are heard in a timely manner so that injured employees can obtain the proper benefits without unreasonable delay. We are concerned that cutting one of the 10 hearing officer positions will once again increase waiting times for resolution of benefit disputes.

Support a Lesser Increase, Coupled with Budget Process Improvements

Four members of the committee (Senator Blais; Representatives Treadwell, Heidrich and Nutting) support some increase in the workers' compensation allocation and assessment cap, but not as much as proposed in the Part 2 budget. As set forth in the minority report to LD 35, we support an increase from \$6.86 million to \$7.546 million. This would represent a 10% increase in the assessment cap, rather than a 21% as proposed in the Part 2 budget and the majority report on LD 35. We

also believe that this increase should be coupled with a thorough review of the process the Board uses to set, approve and monitor its budget. Numerous recommendations for improved accountability and planning were made in the Berry Dunn McNeil and Parker study and preceding studies. Any increase in allocations and assessments should be approved only if the process for using those increases is improved.

On behalf of the Joint Standing Committee on Labor, we thank you for the opportunity to comment on the budget impact of the Governor's bill on labor and workers' compensation programs in Maine.

Wyke, Rebecca

From: Wills, Donald A
Sent: Tuesday, April 01, 2003 10:44 AM
To: Wyke, Rebecca; Walo, Kenneth A
Subject: Retirement Incentive

We offered a retirement incentive equal to one quarter of the employee's annual base salary in late '95 and early '96. Employees had to have reached normal retirement age and 10 years of service by the end of the window period (November 30, 1995 to April 1, 1996). Employees had an option to take the payment in a lump sum or in monthly payments equal to 60% of the monthly cost of dependent health insurance. It was a fairly popular program. We had 138 employees retire under this incentive.

Below is a summary of retirement activity between 1989 and 1998, so you can compare total retirements and the effects of this cash incentive, and also the incentives to retire and continue to work at 70% or 80% of compensation. The first column shows regular retirements. The second column shows retirements under the 70% and 80% programs. The third column shows retirements under the cash payment program in '95 and '96.

The cash program did spike retirements, more so than the "retire and return to work" programs. There is no way of determining how many employees qualified for the program at that time.

This chart includes retirements of Judicial and Legislative employees as well as exec branch employees.

<u>Year</u>	<u>Regular</u>	<u>70 and 80 Percent</u>	<u>Cash Payment</u>	<u>Total</u>
1989	30	0		30
1990	107	167		274
1991	252	11		263
1992	217	0		217
1993	272	1		273
1994	227	4		231
1995	203	3	15	221
1996	177	7	123	307
1997	191	4		195
1998	199	0		199
total	1875	197	138	2210
average	187.5			221